

Message Text

LIMITED OFFICIAL USE

PAGE 01 LUXEMB 01165 180844Z
ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 FEA-01 AGRE-00 CEA-01 CIAE-00
COME-00 DODE-00 EB-07 FRB-03 H-01 INR-07 INT-05 L-03
LAB-04 NSAE-00 NSC-05 PA-01 AID-05 CIEP-01 SS-15
STR-04 ITC-01 TRSE-00 USIA-06 PRS-01 SP-02 OMB-01
/100 W

----- 055152 /21

R 171630Z DEC 76
FM AMEMBASSY LUXEMBOURG
TO SECSTATE WASHDC 5541
INFO USMISSION EC BRUSSELS
USDEL MTN GENEVA
AMEMBASSY BONN
AMEMBASSY BRUSSELS UNN
AMEMBASSY COPENHAGEN
AMEMBASSY DUBLIN
AMEMBASSY THE HAGUE
AMEMBASSY LONDON
AMEMBASSY PARIS
AMEMBASSY ROME

LIMITED OFFICIAL USE LUXEMBOURG 1165

E. O. 11652: N/A
TAGS: ETRD, EC, EAGR, LU
SUBJECT: EC PROPOSAL FOR VEGETABLE OIL TAX

REF: (A) EC BRUSSELS 11860; (B) STATE 300350; (C) LUXEMBOURG 717

1. ECONOFFICER DISCUSSED COMMISSION PROPOSAL WITH JEAN REIS,
DIRECTOR OF THE SERVICE D'ECONOMIE RURALE, WHO IS GOL EXPERT
ON INTERNATIONAL AGRICULTURE QUESTIONS AND WILL ACCOMPANY
MINISTER OF AGRICULTURE JEAN HAMILIUS TO DECEMBER 20-21
MEETING. REIS AND OTHER GOL REPRESENTATIVES ARE FULLY
AWARE OF AND SENSITIVE TO U. S. OPPOSITION TO PROPOSED TAX
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 LUXEMB 01165 180844Z

AND CAN VIRTUALLY RECITE U. S. POSITION FORMALLY COMMUNICATED
IN JULY. REIS CANDIDLY POINTED OUT THAT LUXEMBOURG WAS AMONG
THOSE EC MEMBERS FAVORING THE TAX BUT HELD NO HOPE FOR ITS
APPROVAL.

2. REIS VIEWS SUPPORT FOR THE TAX AS A TACTICAL EXERCISE

TOWARD OVERALL EC DAIRY REFORM. HE BELIEVES PROGRESS ON THIS
SERIOUS STRUCTURAL PROBLEM IS IMPERATIVE FOR A HEALTHY COMMON
MARKET.

3. THE DAIRY SECTOR DOMINATES LOCAL AGRICULTURE AND ITS
SPOKESMAN ARE EVEN MORE VOCAL THAN USUAL IN THIS DROUGHT
YEAR. THE DAIRY LOBBY IS UNHAPPY ABOUT ITS EC TAXES AND
COMPETING NON-DAIRY, FOREIGN PRODUCTS NOT SUBJECT TO
TAX. THE MINISTRY NATURALLY MUST BE SEEN AS RESPONSIVE
TO ITS CONSTITUENTS. FORTUNATELY ENOUGH, THE
LARGER TRADE AND CONSUMER PICTURE IS NEVER LOST FROM
THE GOL VIEW GIVEN THE SMALL FARMER PORTION (7 PERCENT)
IN A LABOR FORCE OTHERWISE EVENLY SPLIT BETWEEN INDUSTRY
AND SERVICES. GINN

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: POLICIES, AGRICULTURE, OILS, TAXES, REGIONAL ORGANIZATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 DEC 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976LUXEMB01165
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760465-1167
From: LUXEMBOURG
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19761233/aaaabcph.tel
Line Count: 75
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 EC BRUSSELS 11860, 76 STATE 300350, 76 LUXEMBOURG 717
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 06 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <06 APR 2004 by ShawDG>; APPROVED <06 APR 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EC PROPOSAL FOR VEGETABLE OIL TAX
TAGS: ETRD, EAGR, LU, US, EEC
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006